

C.13

MEMO TO: City Council

FROM: Rosemarie Ives, Mayor

DATE: February 6, 2007

**SUBJECT: ORDINANCE: ACCEPTING A DONATION OF FUNDS FROM
THE FAMILY RESOURCE CENTER IN SUPPORT OF THE
REDMOND SOCIAL ENTERPRISE PROJECT**

I. RECOMMENDED ACTION

Adopt the attached ordinance which accepts a donation of \$39,923 from the Family Resource Center and authorizes the Mayor to execute an agreement regarding expenditure of the funds.

II. DEPARTMENT CONTACTS

Rob Odle, Planning Director, 425-556-2417
Colleen Kelly, Human Services Manager, 425-556-2423

III. DESCRIPTION

Due to difficulties launching a social enterprise as first envisioned, the Redmond Social Enterprise Project (RSEP) Community Board has recommended a new strategy for expending the donated dollars raised. The new strategy calls for the release of a Request for Proposals to local programs serving Redmond children and youth. The proposals will address how awarded dollars would be used to leverage additional dollars and/or improve the overall sustainability of the program into the future. All donors were notified of this new approach and offered the opportunity to reclaim their donations. No donations were reclaimed.

To date, the Family Resource Center (FRC) has acted as the fiscal agent for the RSEP. However, the FRC does not have the capacity to run an RFP process nor to execute service contracts of this nature. Therefore, the FRC and the RSEP have requested that the City of Redmond Human Services Fund accept the donated dollars and take the lead on both the RFP and contracting processes. Details of such an agreement will be specified in a letter to be signed by the FRC, the City and the RSEP Community Board Chair.

IV. FISCAL IMPACT

Adoption of this ordinance will increase the City's 2007-08 adopted budget by \$39,923.

V. ALTERNATIVE

Do not accept the donation from Family Resource Center. This would likely result in the dollars being returned to the individual donors.

VI. TIME CONSTRAINTS

The City will only be able to execute contracts resulting from the RFP described above if and when this ordinance is adopted.

VII. ATTACHMENTS

Attachment A: Ordinance

Attachment B: Draft Transfer Agreement

<u>/s/</u>	<u>1/23/07</u>
Robert G. Odle, Planning Director	Date

Approved for Council Agenda <u>/s/</u>	<u>1/25/07</u>
Rosemarie Ives, Mayor	Date

ATTACHMENT A

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, ACCEPTING A DONATION OF FUNDS FROM THE FAMILY RESOURCE CENTER'S REDMOND SOCIAL ENTERPRISE PROJECT AND AUTHORIZING THE MAYOR TO EXECUTE ANY NECESSARY AGREEMENT WITH FAMILY RESOURCE CENTER AND THE REDMOND SOCIAL ENTERPRISE PROJECT COMMUNITY BOARD REGARDING SUCH DONATION.

WHEREAS, the Redmond Social Enterprise Project (RSEP) was designed as a community-wide collaboration formed to create a new source of funding for Redmond human service agencies serving children and youth by establishing a business enterprise that leveraged the support of the community;

WHEREAS, this business enterprise model has been difficult to implement and the original donors of the funds, the Redmond Social Enterprise Project Community Board, and the Family Resource Center, which is the fiscal sponsor of RSEP, have approved the transfer of responsibility for these funds to the City of Redmond in support of the efforts of the RSEP Community Board to increase funding of organizations serving Redmond children and youth;

WHEREAS, RCW 35.21.100 authorizes the City to accept donations by ordinance and to carry out the terms of the donation as long as such terms fall within the scope of the City's delegated powers; and

WHEREAS, the City Council desires to accept the donation according to its terms, to authorize the Mayor to execute the Agreement for Donation with the Family Resource

Center and Redmond Social Enterprise Project Community Board, and to express its appreciation to them; now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. Acceptance. The City Council hereby accepts the donation of thirty-nine thousand nine hundred twenty-three dollars (\$39,923) from Family Resource Center for the purpose of increasing funding of organizations serving Redmond children and youth. The Mayor is hereby authorized to execute any necessary agreements with Family Resource Center and the Redmond Social Enterprise Project Community Board to accept the donation on behalf of the City. The City Council expresses its appreciation for this generous donation.

Section 2. Effective Date. This ordinance, an administrative action, is not subject to referendum and shall take effect five (5) days after publication of a summary consisting of the title.

APPROVED:

MAYOR ROSEMARIE M. IVES

ATTEST/AUTHENTICATED:

CITY CLERK MALISA FILES

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____
JAMES E. HANEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.:

ATTACHMENT B

DRAFT TRANSFER AGREEMENT

February, 2007

Family Resource Center has served as fiscal sponsor of Redmond Social Enterprise Project (RSEP) since December of 2004. RSEP was designed as a community-wide collaboration formed to create a new source of funding for Redmond human service agencies serving youth by establishing a business enterprise that leveraged the support of the community.

Family Resource Center's role was intended to be very short-term. The sponsorship would last for the duration of initial fundraising and start-up of a business, while on-going fiscal sponsorship would be provided by The Seattle Foundation.

The business enterprise model has been difficult to implement, and a business using nonprofit business partners was never launched. The relationship with The Seattle Foundation was not pursued. The Redmond Social Enterprise Project Community Board, charged with overseeing the effort, decided to forgo further attempts to launch a business and will instead make direct grants to further the ability of youth programs to increase funding and leverage agency efforts.

The original donors to the project (contacted twice about the changing RSEP direction); the Redmond Social Enterprise Project Community Board; and Family Resource Center's Board of Directors understand the shifting mission of RSEP and have approved the transfer of responsibility for the RSEP funds to the City of Redmond.

The City of Redmond agrees to use these funds to benefit human service programs serving Redmond children and youth under the direction of the RSEP Community Board. The City of Redmond will ensure the funds are used in a manner respectful of their donors' original intentions to support Redmond children and youth and respectful of the IRS tax deduction that donors have already received. The RSEP Community Board agrees to use the funds in a manner appropriate to the RSEP mission.

The City of Redmond releases Family Resource Center of its further responsibilities for these funds and oversight for their use.

We agree that the above accurately reflects our understanding.

REDMOND SOCIAL ENTERPRISE PROJECT COMMUNITY BOARD

By:

Title:

Date:

CITY OF REDMOND

By:

Title:

Date:

FAMILY RESOURCE CENTER

By: Pamela Mauk

Title:Executive Director

Date: